

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1368

Introduced by

Representatives K. Anderson, Bellew, M. Ruby, Strinden, Timmons, Tveit

Senators Clemens, Kannianen, Myrdal

1 A BILL for an Act to create and enact a new section to chapter 54-06 and a new section to
2 chapter 54-44.4 of the North Dakota Century Code, relating to contracts with companies that
3 boycott Israel and a prohibition on investments.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 54-06 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Investments - Prohibition - Israel boycott.**

- 8 1. As used in this section "boycott Israel" means engaging in refusals to deal, terminating
9 business activities, or other similar commercial actions intended to limit commercial
10 relations with persons doing business in Israel or in Israeli-controlled territories when
11 the actions are taken:
- 12 a. In compliance or adherence to calls for a boycott of Israel, other than those
13 boycotts under Public Law No. 96-72 [50 U.S.C. 2407(c)]; or
- 14 b. In a manner that discriminates on the basis of nationality, national origin, or
15 religion.
- 16 2. Notwithstanding any other provision of law, the state may not adopt any investment
17 policy that would have the effect of requiring or inducing any person to boycott Israel.
- 18 3. For purposes of determining whether a company boycotts Israel, if the state receives
19 evidence that a company boycotts Israel, the state shall determine whether the
20 company boycotts Israel. If accompanied by the conduct described under
21 subsection 1, a company statement that indicates the company is participating in
22 boycotts a boycott of Israel or that it has taken the boycott action at the request, in
23 compliance with, or in furtherance of calls for a boycott of Israel, can may be
24 considered as one type of evidence that the company is participating in a boycott of

1 Israel ~~when accompanied with the conduct described under subsection 1.~~ An
2 expressive activity, ~~alone,~~ directed at a specific person or a governmental action may
3 not be considered evidence of a boycott of Israel.

4 **SECTION 2.** A new section to chapter 54-44.4 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Purchasing contracts - Prohibition - Israel boycott.**

7 1. As used in this section:

8 a. "Boycott Israel" means engaging in refusals to deal, terminating business
9 activities, or other similar commercial actions intended to limit commercial
10 relations with persons doing business in Israel or in Israeli-controlled territories
11 when the actions are taken:

12 (1) In compliance or adherence to calls for a boycott of Israel, other than those
13 boycotts under Public Law No. 96-72 [50 U.S.C. 2407(c)]; or

14 (2) In a manner that discriminates on the basis of nationality, national origin, or
15 religion.

16 b. "Company" means any organization, association, corporation, partnership, joint
17 venture, limited partnership, limited liability company, or other entity or business
18 association, including a wholly owned subsidiary, majority-owned subsidiary,
19 parent company, or affiliate ~~which has more than ten full-time employees.~~

20 2. A state entity that enters a contract that includes a provision prohibiting discrimination
21 shall require the contract to include a provision prohibiting a party to the contract from
22 boycotting Israel for the duration of the contract. ~~Failure to comply with this subsection~~
23 ~~does not affect the enforceability of a contract~~The office of management and budget or
24 purchasing agency may waive the requirement in this subsection if the waiver is in the
25 best interest of the state. A waiver under this subsection may not affect the
26 enforceability of a contract.

27 3. If the state receives evidence that a company boycotts Israel, the state shall determine
28 whether the company boycotts Israel. If accompanied by the conduct described under
29 subsection 1, a company statement that indicates the company is participating in a
30 boycott of Israel or has taken boycott action at the request, in compliance with, or in
31 furtherance of calls for a boycott of Israel, may be considered as one type of evidence

1 that the company is participating in a boycott of Israel. An expressive activity, alone,
2 directed at a specific person or a governmental action may not be considered
3 evidence of a boycott of Israel.

4 4. This section does not apply to:

5 a. A contract with a value of less than one hundred thousand dollars; or

6 b. A contract with a company that has fewer than ten full-time employees.